# TABLE OF CONTENTS

## I. OVERVIEW
- Purpose 4  
- Basic Principles 4

## II. CHART OF ACCOUNTS 5

## III. CASH MANAGEMENT 5
- Cash 5  
- Bank Accounts 5  
- Advance of Federal Funds 5  
- Cash Receipts 6

## IV. CHECK PROCESSING 6
- Authorized Check Signers 6  
- Payment Procedures 7  
- Supporting Documentation for Payments 7

## V. BANK ACCOUNTANT MANAGEMENT 7
- Bank Statement and Reconciliation 7  
- Check Control 8  
- Voided Checks 8

## VI. CREDIT CARD USE 8
- Credit Card Company 8  
- Authorized Card Holders 8

## VII. CLOSE OUT 8
- Monthly 8  
- Quarterly 8  
- Year-End 9

## VIII. AUDIT 9

## IX. FIXED ASSETS 9
- Defining Fixed Assets 9  
- Recording of Fixed Assets 10  
- Recording of Fully Depreciated Assets 10

## X. PAYROLL 10
- General 10  
- Timekeeping 10  
- Payroll Processing 10
D. Payment

XI. INTERNAL CONTROLS

A. General
B. Non-Financial Internal Controls
C. Financial Internal Controls

XII. FUNDS CONTROL

XIII. BUDGETS

A. Annual Budget
B. Project Budgets

XIV. INDIRECT COST

ATTACHMENT A - VENDOR LETTER
ATTACHMENT B - W-9 Form
I. OVERVIEW
A. Purpose
The purpose of this manual is to describe the financial accounting policies and procedures of the Lake Michigan Air Directors Consortium (LADCO). The manual also details the internal controls and specific methods to safeguard LADCO’s assets, check the accuracy and reliability of recorded accounting data, and promote efficiency in the accounting operations.

B. Basic Principles
It is LADCO’s policy to maintain good accounting records based on generally accepted accounting principles for non-profit organizations, subject to different donor agency guidelines, as applicable. Within these principles, LADCO adheres to generally accepted accounting principles, OMB Circular A-110, Subpart C. .21 and 40 CFR §30.21(b), and OMB Circular A-122 to ensure costs are reasonable, allowable, and allocable. As such, financial records are maintained and reports are prepared on a cash basis, with the capability to prepare reports on an accrual basis.

Accurate accounting and financial reporting within LADCO are integral to providing the necessary information for budgeting, planning, and management responsibilities. To achieve this, LADCO’s financial management and reporting systems are constructed so that:

- each funding source is individually identified and individual expenses are coded in a manner to ensure that the expense is charged to the correct funding source;
- costs are treated consistently with LADCO’s written policies and procedures and are applied uniformly between federal and non-federal funds;
- all payments are based on fully supporting documentation;
- all financial records are supported by source documentation;
- only reasonable and necessary costs for the performance of an award are charged to that award;
- reports can compare actual expenditures with planned expenditures; and
- the lapsed time between any advance of federal funds and the actual expenditure is minimized.

In accordance with Article XX of the LADCO By-Laws (December 14, 1999), “(t)he Consortium shall hire a Certified Public Accounting firm to assist in establishing an accounting system utilizing Generally Accepted Accounting Principles which meet the requirements of the Single Audit Act and reporting requirements of those states which are member of the Consortium.” LADCO will hire an accounting firm to provide this support.

Within LADCO’s financial management and reporting system, a number of checks and balances have been established. Given the small size of the LADCO staff, there are limitations in our ability to provide a complete separation of duties and responsibilities. We believe, however, that through the combination of a sound accounting system, daily attention by our administrative assistants, regular oversight by management, and independent activities, such as our annual financial audit and, as needed, accountant support, we can achieve sufficient separation of duties.
and responsibilities.
II. CHART OF ACCOUNTS
LADCO’s accounting system shall ensure that all expenditures are properly recorded and assigned to the appropriate grant or contract. For each grant or contract, expenditures shall be tracked, at a minimum, according to the federal object class categories: personnel, fringe benefits, travel, equipment, supplies, contractual, construction, and other. A detailed chart of accounts will be developed in consultation with the accountant.

III. CASH MANAGEMENT
A. Cash
Only cash necessary to meet anticipated day-to-day expenditures plus a reasonable cushion for emergencies shall be kept available. Any excess cash (i.e., non-federal) shall be invested in a liquid, income-producing instrument, as approved by the Board of Directors.

LADCO will maintain a bank balance sufficient for its immediate operating needs.

All cash and checks received must be deposited promptly; preferably, within one or two working days.

Cash disbursement (check payments) must be released according to invoice terms and on a timely basis to ensure continued good relationships with vendors.

LADCO does not maintain a petty cash fund.

B. Bank Accounts
A separate general ledger account is maintained for each bank account. A separate bank account may be opened to meet the specific requirements of a donor or as deemed necessary by LADCO. A separate bank account is maintained for payroll.

The accountant will, as necessary, review all open bank accounts and make recommendations to the Executive Director for any account that should be closed.

Bank accounts are normally maintained in interest bearing accounts, unless specific donor requirements dictate otherwise.

Bank account balances are normally kept under $100,000 to qualify for FDIC insurance.

C. Advance of Federal Funds
It is LADCO’s policy to minimize the time elapsed between drawing down Federal funds and the issuance of checks. The amount of drawdowns will be limited generally to the minimum amount needed and is done at the time payments are made (i.e., normally once a week, but more often, if necessary). Consequently, advances are generally as close as is administratively feasible to the actual disbursements.

The Administrative Assistant and the Executive Director are responsible for making any drawdowns.
D. Cash Receipts
The mail is to be opened by the Administrative Assistant, and all checks received must be recorded in a “check log.” The check log must include the date, name of sender, amount, and purpose of all checks received. The Administrative Assistant shall make a copy of each check and shall keep that copy with the check log. The Administrative Assistant will prepare a letter of acknowledgement, where appropriate, to the donor for the Executive Director’s signature.

For checks that represent payment to LADCO for a LADCO-sponsored workshop, conference, or training, the Administrative Assistant will identify the grant or project associated with the payment. For a federally funded project, the payment shall be treated as program income.

All cash and checks received must be deposited promptly; preferably, within one or two working days.

IV. CHECK PROCESSING
A. Authorized Check Signers
In accordance with the LADCO By-Laws (December 14, 1999):

“The Treasurer shall receive and disperse funds in accordance with the policies determined by the Board of Directors.” (Article XI, Section 4)

“Some or all duties of the Secretary and the Treasurer may be delegated in writing to one or more of the executive staff.” (Article XI, Section 5)

In accordance with these provisions, the Executive Director has been authorized to write and sign checks drawn against the accounts of the Consortium, up to the amount of ten thousand dollars ($10,000) per check, for the following administrative purposes:

• payment of contractors with whom the Board of Directors has negotiated a contract, provided that the contractors have performed the work to the satisfaction of the Board;
• payment of on-going or regularly recurring expenses of the organization, including, but not necessarily limited to, monthly rent, telephone charges, utility charges, and equipment rental fees;
• purchase of office supplies, postage, and other expendable items, as required;
• payment of salaries to any and all employees of the Consortium, as authorized by the Board of Directors;
• reimbursement of expenses incurred by Consortium employees, members of the Board of Directors, and ay others, in performance of duties directly related to the work of the Consortium, provided that proper documentation is supplied;
• purchase of equipment necessary for the operation of the Consortium offices, including, but not limited to, facsimile machine, computer systems, copy machines, and office furniture; and
• any other incidental purposes as may arise for the orderly operation of the Consortium offices.

B. Payment Procedures
Each check to be signed must be accompanied by original supporting documentation. The Administrative Assistant and the Executive Director shall ensure that the original supporting documents, including invoices, are maintained in the vendor’s file.

Checks presented for payment (i.e., to be signed), are to be signed as expeditiously as practicable.

Invoices must be paid according to invoice terms and are processed on a timely basis to ensure continued good relationships with vendors.

Checks will not be made payable to “bearer,” “cash,” or some other unidentifiable entity.

Blank checks will not be signed and left blank to be filled in later by a third party.

Signed checks must be returned directly to the Administrative Assistant for mailing. It is LADCO’s policy to mail checks as expeditiously as practicable after they are signed.

C. Supporting Documentation for Payments
For project-related expenditures, all supporting documentation, including funding source, must be approved for payment by the Executive Director.

Payment must be made only from original invoices. No payment will be made based on photocopies of invoices or from vendor statements. A signed fax of an invoice is acceptable if approved by the person signing the check for payment.

The vendor’s tax ID numbers must be obtained before any payments are made to any vendor. A request for a tax ID number (Attachment A) must be mailed or faxed to the vendor along with Form W-9, Request for Taxpayer Identification Number and Certification (Attachment B).

V. BANK ACCOUNT MANAGEMENT
A. Bank Statement and Reconciliation
All bank statements are sent to LADCO and opened by the Executive Director. The bank statements shall be reviewed by the Executive Director and the bank reconciliation performed on a monthly basis. Bank reconciliations must be completed no later than 10 business days following receipt of the bank statement. Reconciliations must agree with the general ledger.

The Administrative Assistant will review all outstanding checks outstanding on a monthly basis. For those outstanding more than two months, the Administrative Assistant shall call the payee to ascertain the status of the payment. The Administrative Assistant will continue to call the payee until the check is deposited, and if a check is still outstanding after six months, the Administrative Assistant will contact the bank and place a stop order on the check.
B. Check Control
The Check Register, which is internal to the QuickBooks Pro accounting system, is maintained by the Administrative Assistant. The check register identifies the check number, date the check was issued, vendor, purpose and amount.

Checks are kept under lock, and physical access to unissued checks is restricted to the Administrative Assistant and the Executive Director.

At the end of each month, the bank returns copies of bank processed checks (cancelled). All bank processed checks will be maintained in numerical sequence. The Administrative Assistant will update the check register to identify those checks that have cleared the bank.

C. Voided Checks
A check will be voided when it has been found that the check was issued in error (e.g., wrong amount or wrong vendor).

Voided checks will be marked “VOID” in large letters. All voided checks will be numerically sequenced with the bank processed, cancelled checks.

The check register in the QuickBooks Pro accounting system will be updated to identify the check number of any cancelled checks.

Once the bank has been notified to place a stop order on any check, that check number must be voided within the QuickBooks Pro accounting system. If a new check is subsequently issued, then a cross-reference will be made to the cancelled check.

VI. CREDIT CARD USE
A. Credit Card Company
LADCO uses Visa-GE Corporate as its credit card company at this time.

B. Authorized Cardholders
Credit cards are issued only to regular, full-time employees. There are no other authorized cardholders.

VII. CLOSE-OUT
A. Monthly
Prior to month end close-out, all accounting transactions, including journal vouchers, will be posted. The Administrative Assistant will close-out by the fifth working day of the month. LADCO’s accounting system (QuickBooks Pro) has a close-out feature that automatically updates all the accounting files and reports. Once the close-out has occurred, the Administrative Assistant will perform the bank reconciliation. The Administrative Assistant will run any required financial reports.

B. Quarterly
The same procedures as month-end will be followed.

The Executive Director shall prepare the Financial Status Report (SF-269) for each federal grant and submit it to the appropriate federal agency. Similar quarterly financial summaries shall be also prepared by the Executive Director for any other funding source (i.e., state contracts).

C. Year-End
The same procedures as quarter-end will be followed at year-end.

The Administrative Assistant, with assistance from the accountant, will prepare the necessary year-end financial reports. These will be used in preparing for the year-end OMB Circular A-133 audit, and will include, at a minimum:

- Statement of Financial Position
- Statement of Activities
- Statement of Cash Flow
- Schedule of Expenditures of Federal Funds

VIII. AUDIT
In compliance with OMB Circular A-133, LADCO will hire a qualified accounting firm to conduct an annual financial audit. The audit will be performed according to the requirements of OMB Circular A-133 and will take place shortly after the end of the federal fiscal year. The Executive Director is responsible for sending copies of the audit report and related documentation to the appropriate federal authorities.

IX. FIXED ASSETS
A. Definitions
As defined in LADCO’s “Property Management Policy Manual”, real property is land, including land improvements, structures, and appurtenances thereto, but excludes movable machinery and equipment; personal property is any kind of property that is not real property; and equipment is a fixed asset having a useful life of more than one year and an acquisition cost of more than $5,000.

B. Recording of Fixed Assets
Fixed assets, the cost and accumulated depreciation, shall be recorded. An off-line depreciation schedule shall be provided by the accountant and any additions, disposals, and period depreciation must be updated to the detailed ledger monthly. On a monthly basis, the detailed depreciation schedule must be reconciled with the general ledger for asset cost and accumulated depreciation.

Fixed assets are stated at cost plus shipping and training, if applicable. Donated property and equipment are stated at the fair market value at the date of donation.

Depreciation is computed using a straight-line method over the estimated useful life of the assets, normally three to five years.
Any differences disclosed by the annual inventory must be resolved in accordance with LADCO’s “Property Management Policy Manual”. The accountant may be asked to review and approve the results, and post any adjustments.

C. Recording of Fully Depreciated Assets
Fully depreciated assets must remain on the property records with the related accumulated depreciation as long as the property is still in use.

For fully depreciated assets, LADCO will follow OMB Circular A-122, Attachment B.11 and charge a reasonable use allowance. The use allowance for equipment will be computed at an annual rate not exceeding six and two-thirds percent of acquisition cost.

X. PAYROLL
A. General
The Administrative Assistant shall maintain payroll records to determine: who will be paid, in what amounts, for what time periods, how to allocate labor charges between direct and indirect funding, and the dollar amount to be charged each funding source for direct labor. The Executive Director shall assist in the determination of direct and indirect costs.

B. Timekeeping
LADCO pays on a bi-monthly basis (i.e., twice per month), and uses a monthly personal activity report to record each employee’s time during the month (see LADCO’s “Personnel Policies and Procedures Manual”). For salaried employees, each employee shall complete their monthly personal activity report, have it signed by the Executive Director, and submit it to the Administrative Assistant after the last day of each month. For hourly employees, each employee shall complete their bi-monthly personal activity report, have it signed by the Executive Director, and submit it to the Administrative Assistant after the 15th and last day of each month.

C. Payroll Processing
LADCO has hired a payroll service to assist in preparing its payroll. The Administrative Assistant will work with the payroll service to process the payroll on a bi-monthly basis. The Administrative Assistant is responsible for making any salary adjustments or labor allocation costs based upon the actual, after-the-fact personal activity reports submitted at the end of the month.

D. Payment. Each employee will be paid by automatic deposit on the 15th and the last day of each month.

XI. INTERNAL CONTROL
A. General
It is LADCO’s policy to have a system of checks and balances in all of its operations. Basic controls and check and balances are incorporated throughout each of LADCO’s policies and procedures manuals: “Personnel Policies and Procedures Manual”, “Property Management

B. Non-Financial Internal Controls
To safeguard LADCO’s assets, check the accuracy and reliability of recorded accounting data, and promote efficiency in the accounting operations, the following non-financial internal controls have been instituted:

- All trip requests must be approved by the Executive Director prior to booking a trip.
- Paid overtime to a non-exempt employee must be approved in advance by the Executive Director.
- LADCO loaned property must be supported by a Loaned Property form.
- Inventories are taken once per year.
- There are different thresholds for authority to initiate procurement actions.
- The Board of Directors, or its representative, is frequently used as a check/balance in LADCO’s day-to-day operations (e.g., signing check over $10,000).
- There is an annual meeting of the Board of Directors.

C. Financial Internal Controls
To safeguard LADCO’s assets, check the accuracy and reliability of recorded accounting data, and promote efficiency in the accounting operations, the following financial internal controls have been instituted:

- The same person cannot write a purchase order and sign a check.
- Control over use of credit cards. Any purchases by an unauthorized credit cardholder must be approved in writing by the holder of the credit card.
- A log is used to record all checks received.

XII. FUNDS CONTROL
A basic element of project accounting is funds control (i.e., writing commitments such as contracts and purchase orders when project funds are available). This is an integral part of LADCO’s internal controls and funds control. Consequently, as stated in LADCO’s “Procurement Policy Manual”: “(p)rior to forwarding the procurement instrument for signature, the Executive Director shall verify that funds are available to cover the costs of the procurement.”

XIII. BUDGETS
A. Annual Budget
The Executive Director shall prepare each spring an operating budget for the following federal fiscal year and present it to the Board of Directors for their review and approval. The budget will include a discussion and presentation of LADCO’s internal operations, as well as the programmatic budgets and plans for the coming year.

B. Project Budgets
The Executive Director shall prepare at the beginning of a new project (and for each subsequent year) a budget of annual, planned expenditures. On a quarterly basis during the project year, the Administrative Assistant and Executive Director will track planned versus actual expenditures.
XIV. INDIRECT COSTS
Indirect costs (i.e., facilities and administrative expenses) shall be equitably across all federal and non-federal grants and contracts on a direct cost basis. (This approach was approved by the Board of Directors on January 10, 2003, and documented in a January 10, 2003, letter from the Executive Director to USEPA.)
Dear Vendor:

IRS regulations require withholding of 31% federal income tax from payments made to suppliers for which we do not have a Tax Identification Number (TIN). Withheld funds can be refunded only by the IRS.

Your Tax Identification Number is a nine-digit number assigned by either the IRS or the Social Security Administration. If you don't have a Federal Employer Identification Number (FEIN), you will need to use your Social Security Number (SSN).

Please complete the attached W-9 form and return it to our office within 15 days of the receipt of this notification.

Thank you in advance for your cooperation. Should you have any questions regarding this matter, please do not hesitate to call me at 847-296-2181.

Sincerely,

Winnie Leva or Susan Menconi
Administrative Assistant
Attachment B

W-9 Form
# Request for Taxpayer Identification Number and Certification

**Form W-9**  
(Rev. January 2002)  
Department of the Treasury  
Internal Revenue Service

**Give form to the requester. Do not send to the IRS.**

## Part I  Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 2.

**Note:** If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

### Taxpayer Identification Number (TIN)

**Social security number**

<table>
<thead>
<tr>
<th>or</th>
<th>Employer identification number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Part II  Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

### Purpose of Form

A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person including a resident alien, to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify you are not subject to backup withholding,
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

If you are a foreign person, use the appropriate Form W-8. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

**Note:** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

### What is backup withholding?

Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments after December 31, 2001 (26% after December 31, 2003). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 2 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payments and payments are exempt from backup withholding. See the instructions on page 2 and the separate instructions for the Requester of Form W-9.

### Penalties

- **Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.
- **Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $100 penalty.
- **Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.
- **Misuse of TINs.** If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

---

Cat. No. 10231X  
Form W-9 (Rev. 1-2002)

---

16
Specific Instructions

Name. If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, or in cases due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose name you enter in Part I of the form.

Self proprietor. Enter your individual name as shown on your social security card or the “Business name” line. Enter the LLC’s name on the “Business name” line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner’s name on the “Business name” line. Enter the LLC’s name on the “Business name” line.

Other entities. Enter your business name as shown on required Federal tax documents or the name on the “Business name” line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the “Business name” line.

Exempt from backup withholding. If you are exempt, enter your name as described above, then check the “Exempt from backup withholding” box in the line listing the business name, sign and date the form.

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the Instructions for the Requester of Form W-9.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-9.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Part I—Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see How to get a TIN below. If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, if you have an LLC that is disregarded as an entity separate from its owner (see Limited liability company (LLC) above), and are owned by an individual, enter your SSN or “LLC” EIN, if desired. If the owner of a disregarded LLC is a corporation, partnership, etc., enter the owner’s EIN.

Note: See the chart on this page for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office. Get Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3678) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write “Applied For” in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing “Applied For” means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded entity domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II—Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see Exempt from backup withholding above.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have previously given an incorrect TIN. “Other payments” include payments made in the course of the requester’s business or trade for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations, payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, certain tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of a secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payments must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account

Give name and SSN of:

1. Individual

The individual

2. Two or more individuals [joint account]

The individual owner of the account or, if combined funds, the first individual on the account

3. Custodian account of a minor (Uniform Gift to Minors Act)

The grantor-trustee

4. a. The usual revocable savings trust (grantor is also trustee)

b. So-called trust account that is not a legal or valid trust under state law

The actual owner

5. Sole proprietorship

The owner

For this type of account

Give name and EIN of:

6. Sole proprietorship

The owner

7. A valid trust, estate, or pension trust

The organization

8. Corporate

The corporation

9. Association, club, religious, charitable, educational, or other tax-exempt organization

The partnership

10. Partnership

The broker or nominee

11. A broker or registered nominee

The public entity

12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or parish that receives agricultural program payments)

List first and circle the name of the person whose account has an SSN, that person’s number must be furnished.

Circle the minor’s name and furnish the minor’s SSN.

You must show your individual name, but you may also enter your business or “DBA” name. You may use either your SSN or EIN if you have one.

List first and circle the name of the legal trust, estate, or pension trust. [Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.]

Note: If no name is circled when more than one name is listed, the names are considered to be that of the first name listed.